

SUTA Dumping

Experience of Pilot States

The Crackdown Continues....



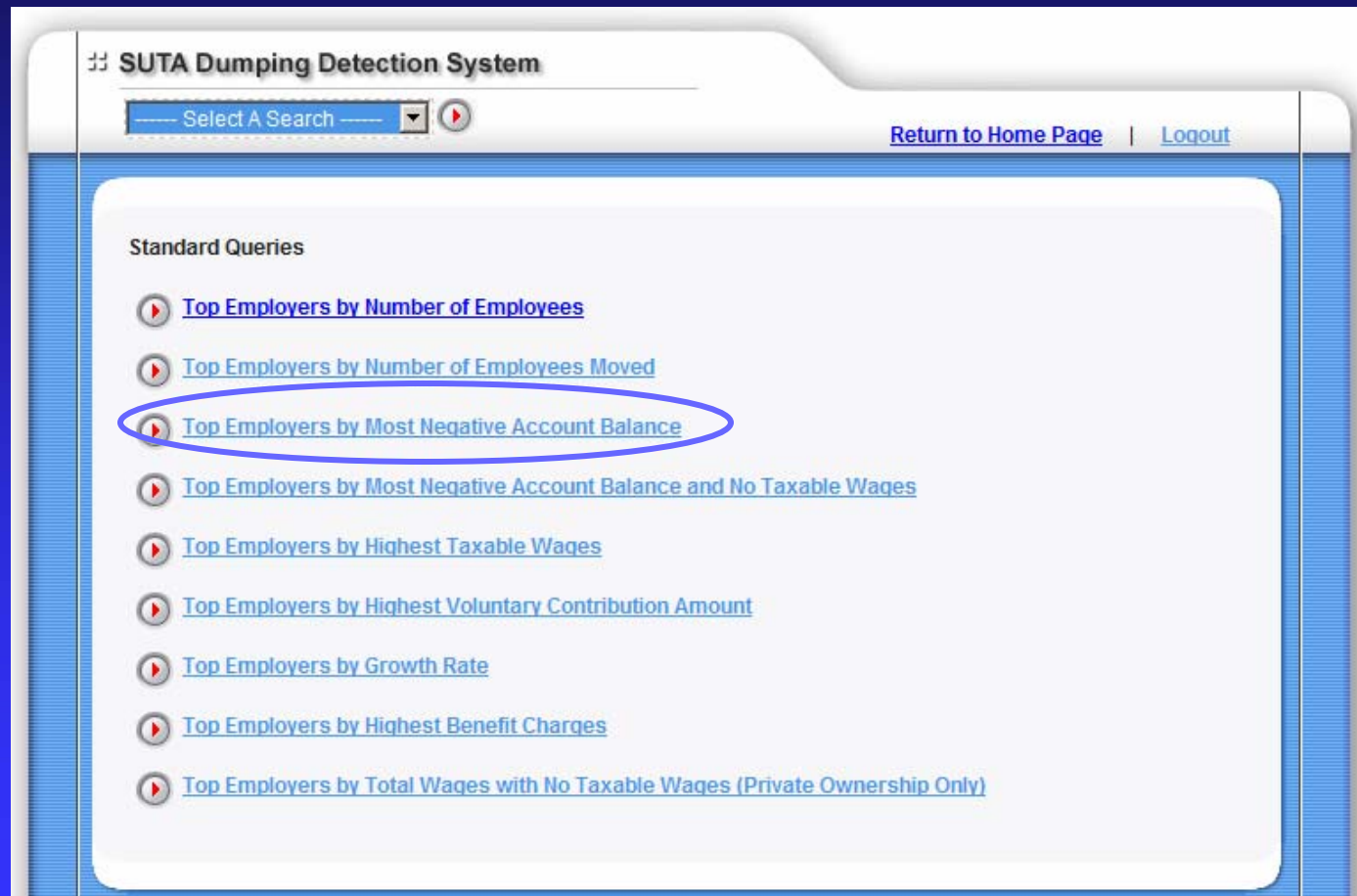
Moderator: Bill Starks, Utah UI Director

Panel Members: Anne Coomer, North Carolina Regional Tax Manager
Nancy Broaddus, Virginia Chief of Tax
Ken Iavarone, Rhode Island Chief of Tax

August 4, 2005

SUTA Dumping


SDDS – Standard Queries



SUTA Dumping

SDDS – Standard Queries

SUTA Dumping Detection System

Select A Search 

[Return to Home Page](#) | [Logout](#)

[Standard Queries](#) /

Top Employers by Most
Search Type: Negative Account Balance
Filters Used: N/A

100 UI Accounts matched your criteria:
[Show Unsuppressed](#) | [Include Suppressed](#) | [Suppressed Only](#) Update Record Status

UI Account	Company Name	Federal EI Number	Most Recent Employer Data	Tax History	Employment History	Hold Status	Suppressed
#####	Company 1	#####	2004-04	View Tax History	View Employment History	<input type="checkbox"/> Hold for Review	<input type="checkbox"/> Suppress <input type="checkbox"/> Suppress All
#####	Company 2	#####	2004-04	View Tax History	View Employment History	<input type="checkbox"/> Hold for Review	<input type="checkbox"/> Suppress <input type="checkbox"/> Suppress All
#####	Company 3	#####	2004-04	View Tax History	View Employment History	<input type="checkbox"/> Hold for Review	<input type="checkbox"/> Suppress <input type="checkbox"/> Suppress All
#####	Company 4	#####	2004-04	View Tax History	View Employment History	<input type="checkbox"/> Hold for Review	<input type="checkbox"/> Suppress <input type="checkbox"/> Suppress All

SUTA Dumping

SDDS – Standard Queries

SUTA Dumping Detection System

Select A Search

[Return to Home Page](#) | [Logout](#)

[View Saved Searches / Results /](#)

Search Type: Filter Search Filters Used: startQuarter = '57' , totalEmployees between '1500' and '1000000' , percentEntryChange between '0.95' and '1' 1500, 95%, 2004Q1

This Search has been Saved as Public

Exit UIAccount: 0000024450 [View Tax History for Exit UIAccount](#)
[View Tax Details for Exit and all Entries](#)
[Export Exit and Entry data to Excel](#)
☐ Include SSNs and Moves in Export
[Add Notes to this Exit Account](#)

Exit Primary Name: Exit Company Name Here

☐ Hold for Review ☐ Suppress ☐ Suppress All

Entry Company: ##### [View Company Details](#)
Entry Company Primary Name: ENTRY COMPANY NAME ☐ Ignore Entry

[View Employee Moves](#) [View Tax History](#) [View All Entries from this Exit](#) [View All Exits to this Entry](#)

Exit Quarter	1st Quarter of Entry	Last Quarter of Entry	Total Moved Employees	Total Employees in Exit Company at time of Exit	Move Rate From Exit
2003-04	2004-01	2004-01	497	7066	7.033%
Quarter of Highest Movement	Highest number of Employees Moved at one time	Total Employees in Entry Company at time of Highest Movement	Move Rate to Entry Company at time of Highest Movement	Successor to Exit UIAccount	Age of Entry UIAccount (in Qtrs)
2004-01	497	752	66.09%	no	2
Total Exit Wages	Tax Rate of Exit Company	Total Entry Wages	Tax Rate of Entry Company	Percent Wages Change	Tax Rate Change
\$1,979,964.00	0.7%	\$3,736,251.00	1.2%	0.8870	-0.500

Entry Company: ##### [View Company Details](#)
Entry Company Primary Name: ENTRY COMPANY NAME ☐ Ignore Entry

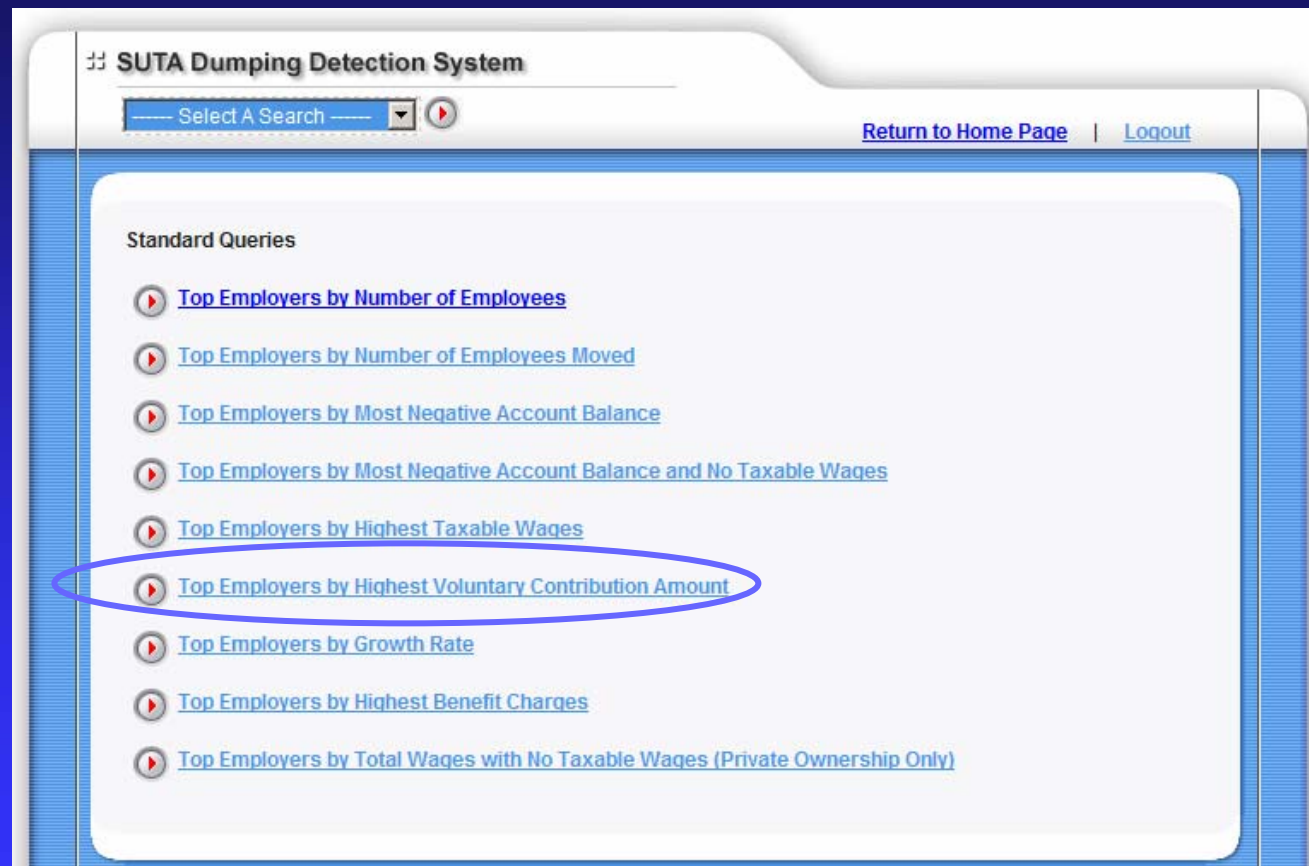
[View Employee Moves](#) [View Tax History](#) [View All Entries from this Exit](#) [View All Exits to this Entry](#)

Exit Quarter	1st Quarter of Entry	Last Quarter of Entry	Total Moved Employees	Total Employees in Exit Company at time of Exit	Move Rate From Exit
2003-04	2003-04	2003-04	558	7066	7.896%
Quarter of Highest Movement	Highest number of Employees Moved at one time	Total Employees in Entry Company at time of Highest Movement	Move Rate to Entry Company at time of Highest Movement	Successor to Exit UIAccount	Age of Entry UIAccount (in Qtrs)
2003-04	558	586	75.22%	yes	1
Total Exit Wages	Tax Rate of Exit Company	Total Entry Wages	Tax Rate of Entry Company	Percent Wages Change	Tax Rate Change
\$2,130,913.00	0.7%	\$1,752,988.00	1.2%	-0.1773	-0.500

U.S. Department of Labor :: Employment and Training Administration :: Office of Workforce Security

SUTA Dumping


SDDS – Standard Queries



SUTA Dumping

SDDS – Standard Queries

SUTA Dumping Detection System

----- Select A Search ----- 

[Return to Home Page](#) | [Logout](#)

Standard Queries /

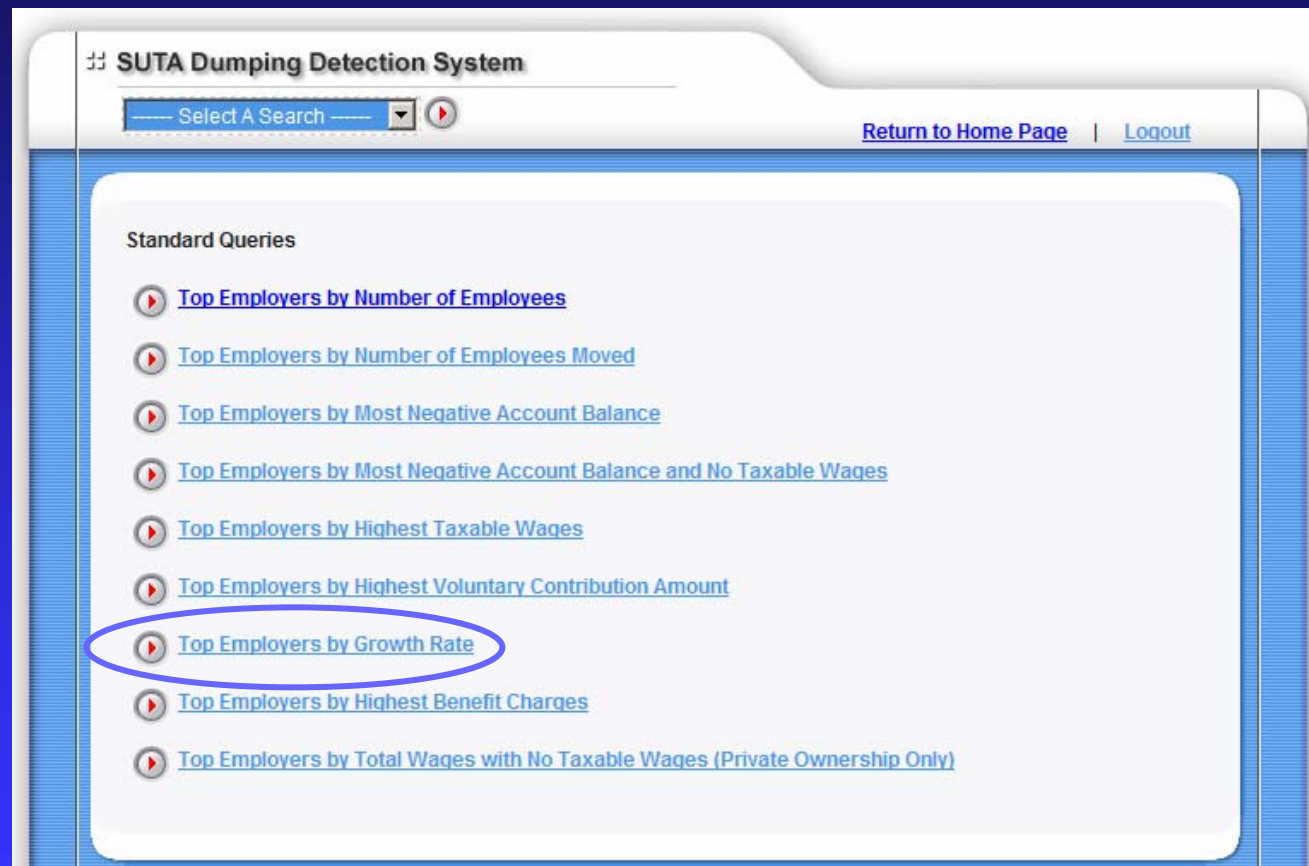
Search Type: Top Employers by Highest Voluntary Contribution Amount Filters Used: N/A

100 UI Accounts matched your criteria:

UIAccount	Company Name	Voluntary Contribution Tax Year	Voluntary Contribution	Estimated Taxes Due	Amount Over-contributed	Tax History
#####	Company 1	2004	\$32,619.00	\$0.00		View Tax History
#####	Company 2	2004	\$23,556.00	\$344,680.95	\$0.00	View Tax History
#####	Company 3	2002	\$36,536.00	\$0.00		View Tax History
#####	Company 4	2004	\$19,234.00	\$196,384.69	\$0.00	View Tax History
#####	Company 5	2000	\$69,470.00	\$223,044.79	\$0.00	View Tax History
#####	Company 6	1999	\$21,319.00	\$551.87	\$20,767.13	View Tax History
#####	Company 7	2001	\$27,381.00	\$29,251.27	\$0.00	View Tax History

SUTA Dumping

SDDS – Standard Queries



SUTA Dumping

SDDS – Standard Queries

Entry Company: #####

Entry Company Primary Name: ENTRY COMPANY NAME

☐ Ignore This Entry Record

[View Company Details](#)

[View Tax History](#)

[View Employment History](#)

[View Employee Moves](#)

[View All Entries from this Exit](#)

[View All Exits to this Entry](#)

Exit Quarter	1st Quarter of Entry	Last Quarter of Entry	Total Moved Employees	Total Employees in Exit Company at time of Exit	Move Rate From Exit
1999-04	2000-01	2000-04	12816	14299	89.62%
Quarter of Highest Movement	Highest number of Employees Moved at one time	Total Employees in Entry Company at time of Highest Movement	Move Rate to Entry Company at time of Highest Movement	Successor to Exit UIAccount	Age of Entry UIAccount (in Qtrs)
2000-01	12739	14354	88.74%	no	3
Total Exit Wages	Tax Rate of Exit Company	Total Entry Wages	Tax Rate of Entry Company	Percent Wages Change	Tax Rate Change
\$144,454,658.00	0.25%	\$204,564,218.00	0.336%	0.4161	-0.086

SUTA Dumping

SDDS – Standard Queries

Search Type: Top Employers by Growth Rate
Filters Used: N/A

Employer History for UIAccount:

Select # of years to display 3

Note selecting all years will ignore the "Start Year"

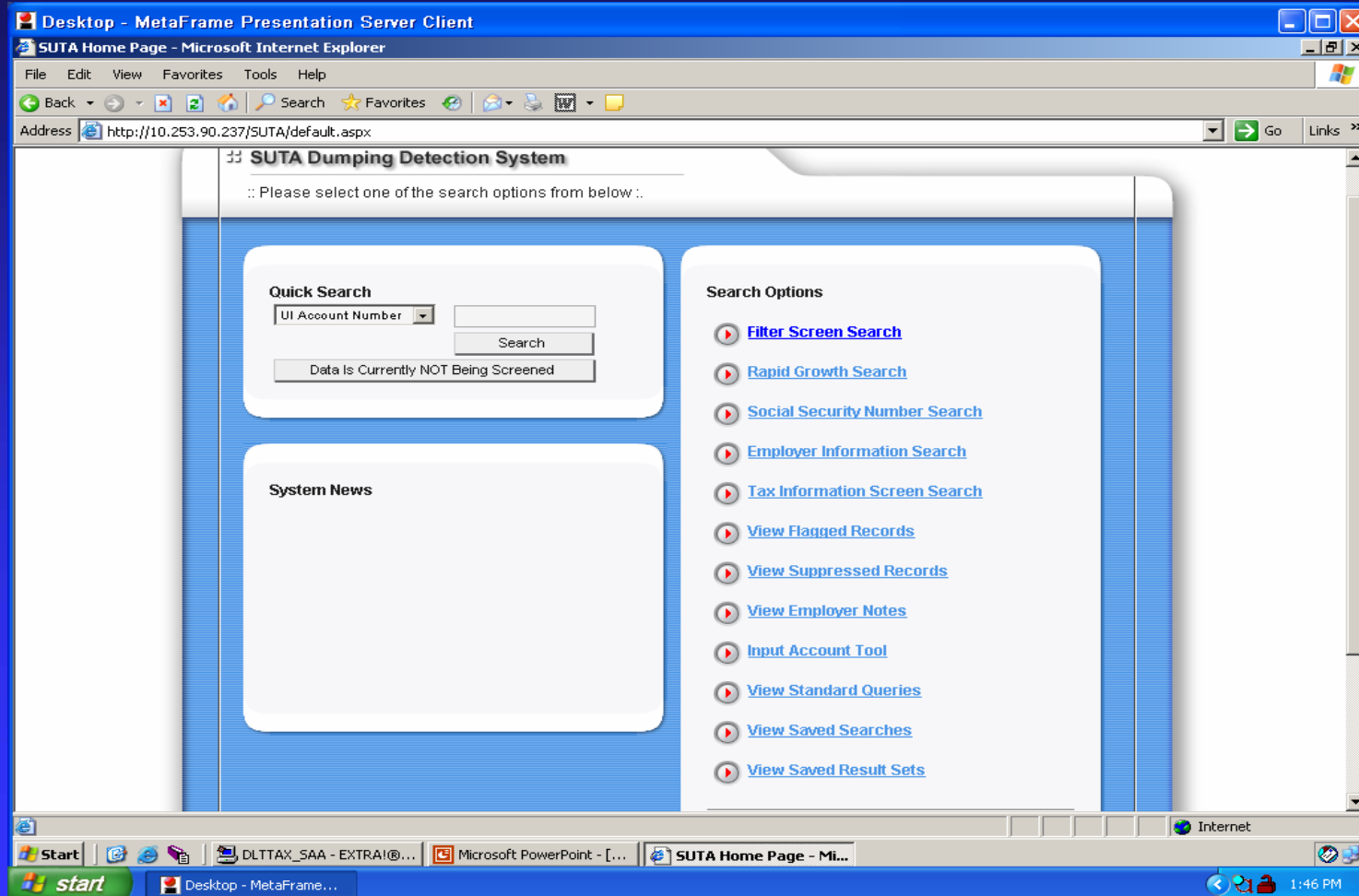
Select year to start analysis 1998

Press Refresh to show the results of the above time frame. Refresh

Year-Qtr	Total Transactions	Total Wages	# of Exits	#of Entries	View all Entries from this Exit	View all Exits to this Entry
1998-01	1	\$3,750.00		1	View Exit Pattern	View Entry Pattern
1998-02	13394	\$150,530,358.00	498	12975	View Exit Pattern	View Entry Pattern
1998-03	13975	\$142,625,438.00	583	980	View Exit Pattern	View Entry Pattern
1998-04	14199	\$144,065,985.00	579	850	View Exit Pattern	View Entry Pattern
1999-01	14024	\$215,270,829.00	608	499	View Exit Pattern	View Entry Pattern
1999-02	13984	\$162,615,815.00	772	568	View Exit Pattern	View Entry Pattern

SUTA Dumping

SDDS – Filtered Searches



SUTA Dumping

SDDS – Filtered Searches

Desktop - MetaFrame Presentation Server Client

SUTA Filter Criteria - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Search Favorites

Address http://10.253.90.237/SUTA/pages/FilterForm.aspx Go Links

Filter Search /

Select the Starting Quarter 2003-04

<input type="checkbox"/> Number of Total Employees (in Exit Company)	
<input type="checkbox"/> Number of Total Employees Moved (from Exit to Entry)	
<input type="checkbox"/> % change in number of employees (exit company employment)	
<input type="checkbox"/> % change in number of employees (entry company employment)	
<input type="checkbox"/> % change in wages	
<input type="checkbox"/> Change in tax rate (entry tax rate - exit tax rate)	
<input type="checkbox"/> Maximum Age of Entry UI Account (in Qtrs)	
<input type="checkbox"/> Documented Successorship	
<input type="checkbox"/> Ownership Type(s)	
<input type="checkbox"/> Filter by Industry Sector	

Done Internet

Start DLTTAX_SAA - EXTRAI@... Microsoft PowerPoint - [...] SUTA Filter Criteria - ... Document1 - Microsoft ...

start Desktop - MetaFrame...

1:50 PM

SUTA Dumping

SDDS – Filtered Searches

Desktop - MetaFrame Presentation Server Client

SUTA Filter Criteria - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Search Favorites

Address <http://10.253.90.237/SUTA/pages/FilterForm.aspx> Go Links

Select the Starting Quarter 2003-04

<input type="checkbox"/> Number of Total Employees (in Exit Company)	
<input checked="" type="checkbox"/> Number of Total Employees Moved (from Exit to Entry)	<input type="text" value="10"/> to <input type="text" value="5000"/>
<input type="checkbox"/> % change in number of employees (exit company employment)	
<input type="checkbox"/> % change in number of employees (entry company employment)	
<input type="checkbox"/> % change in wages	
<input type="checkbox"/> Change in tax rate (entry tax rate - exit tax rate)	
<input type="checkbox"/> Maximum Age of Entry UI Account (in Qtrs)	
<input checked="" type="checkbox"/> Documented Successorship	Choose from the following list Entry UIAccount is NOT Succ
<input type="checkbox"/> Ownership Type(s)	
<input type="checkbox"/> Filter by Industry Sector	

Done

Start


DLTTAX_SAA - EXTRAI@... Microsoft PowerPoint - [...] SUTA Filter Criteria - ... Document1 - Microsoft ...

start Desktop - MetaFrame... Internet 1:49 PM

SUTA Dumping

SDDS - Filtered Searches

SUTA Dumping Detection System

Select A Search 

[Return to Home Page](#) | [Logout](#)

[Filter Search](#) / [Results](#) /

Search Type: Filter Search	Filters Used: startQuarter = "50", totalEmployees between "500" and "3000", employeesMoved between "500" and "3000", taxRateChange between "-4.5" and "4.5", entryUIAccountAge = "5"
Click Here to Save this Search	

Exit UIAccount: #####	View Tax History for Exit View Employment History for Exit View Tax Details for Exit and all Entries Export Exit and Entry data to Excel <input type="checkbox"/> Include SSN's and Moves in Export
Exit Primary Name: Company A	Add Notes to this Exit Account
Other Company Name:	
<input type="checkbox"/> Hold for Review	<input type="checkbox"/> Suppress
<input type="button" value="Update Review Status"/>	
<input type="button" value="Remove Ignored Records"/>	
<input type="button" value="Save This Results Page"/>	

Sort the results below by: | |

Benefit Ratio State - Looking for employers with movement of 50-5000 employees to another company with a tax rate less than the company they are moving from

Virginia

SUTA Dumping

SDDS – Filtered Searches

SUTA Dumping Detection System

Select A Search

Return to Home Page | Logout

Filter Search / Results / Exit and Entries /

Search Type: Filter Search

Filters Used: startQuarter = "50", totalEmployees between "500" and "3000", employeesMoved between "500" and "3000", taxRateChange between "-4.5" and "4.5", entryUIAccountAge = "5"

Click Here to Save this Search

Employment Pattern for Exit UIAccount: #####

Add Notes to this Exit Account

Company A

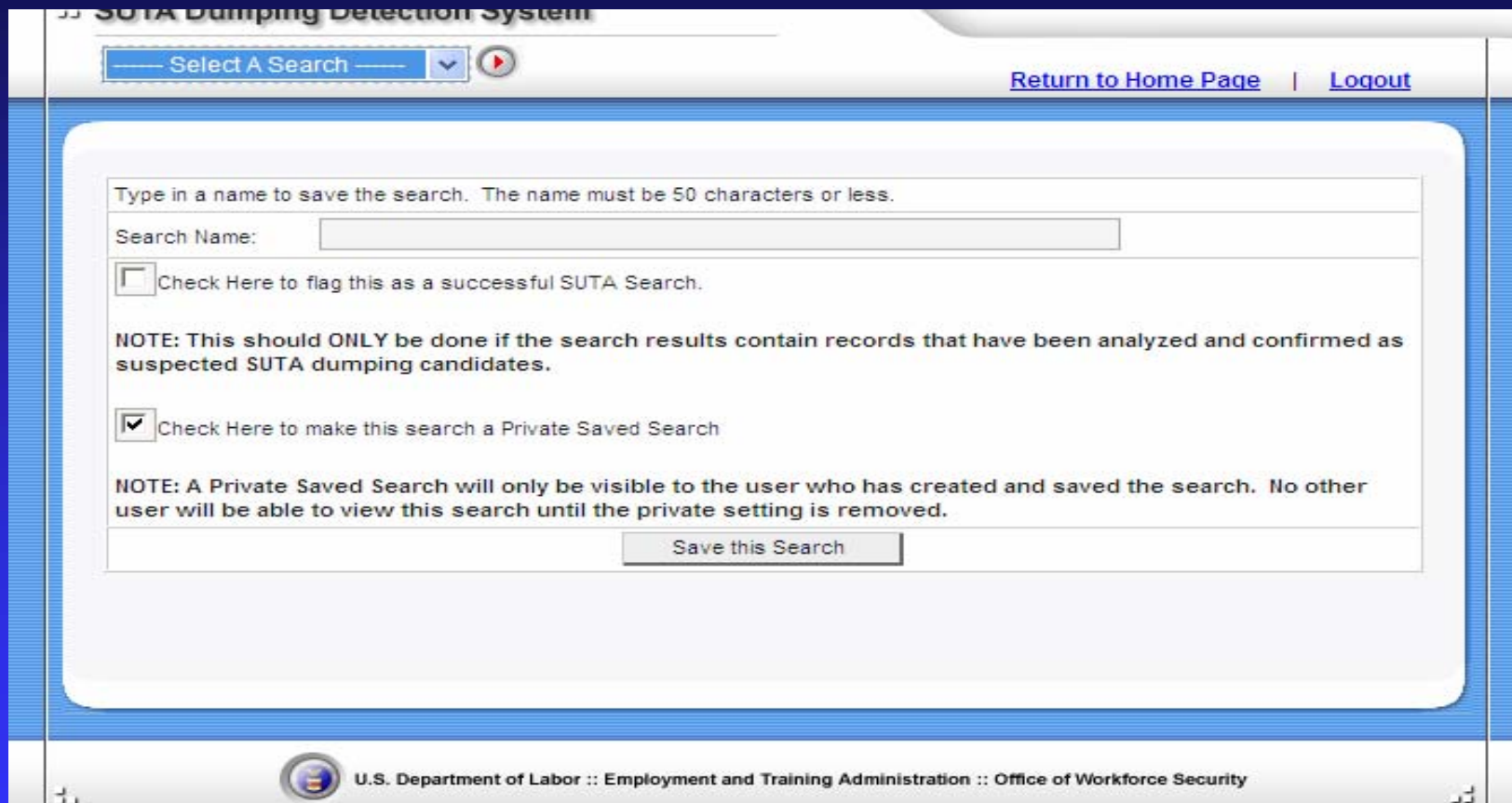
Entry UI Account	Entry Company Name	Number of Employees Moved	First Entry Quarter	Last Entry Quarter	View Moves
#####	Company A	1161	2002-04	2003-04	View Moves
#####	Company B	682	2002-04	2003-04	View Moves
#####	Company C	147	2002-04	2003-04	View Moves
#####	Company D	111	2002-04	2003-03	View Moves
#####	Company E	107	2002-04	2003-04	View

Determining if those employees who moved did so on their own or did the employer “transfer” them to a company to take advantage of a lower tax rate.

Virginia

SUTA Dumping

SDDS – Filtered Searches



The screenshot displays the SUTA Dumping Detection System (SDDS) interface. At the top, there is a navigation bar with a dropdown menu labeled "Select A Search" and a play button icon. To the right of the navigation bar are links for "Return to Home Page" and "Logout". The main content area is a form titled "Type in a name to save the search. The name must be 50 characters or less." Below this title is a text input field labeled "Search Name:". Underneath the input field are two checkboxes. The first checkbox is unchecked and is labeled "Check Here to flag this as a successful SUTA Search." Below this checkbox is a note: "NOTE: This should ONLY be done if the search results contain records that have been analyzed and confirmed as suspected SUTA dumping candidates." The second checkbox is checked and is labeled "Check Here to make this search a Private Saved Search." Below this checkbox is another note: "NOTE: A Private Saved Search will only be visible to the user who has created and saved the search. No other user will be able to view this search until the private setting is removed." At the bottom of the form is a button labeled "Save this Search". The footer of the page contains the U.S. Department of Labor logo and the text "U.S. Department of Labor :: Employment and Training Administration :: Office of Workforce Security".

One thing that was discovered during the pilot is that you need to save the searches that you did. Having the ability to save “private” searches or SUTA searches saves time.

Virginia

SUTA Dumping

Helpful Hints

In some cases a search might require microfilm or investigation

- Keeping the searches that you are working on helps you to keep organized
- Gives an audit trail if one is necessary
- Supplies information about your investigation
- Keeps you from repeating unsuccessful searches

SUTA Dumping

Successful Searches can be documented to some degree starting in the software which avoids duplication, provides notes, and allows others to view your results.

SUTA Dumping

SDDS – Filtered Rapid Growth Searches

The screenshot shows a web browser window titled "SUTA Filter Criteria - Microsoft Internet Explorer". The address bar displays "http://wssuta/SUTA/pages/FilterForm.aspx". The browser's menu bar includes File, Edit, View, Favorites, Tools, and Help. The toolbar contains buttons for Back, Forward, Stop, Reload, Home, Search, Favorites, and other standard browser functions. The main content area is titled "Filter Search /" and contains a form for filtering search results. The form includes a dropdown menu for "Select the Starting Quarter" set to "2003-04". Below this, there are three filter criteria, each with a checkbox and a range selector (two input boxes separated by "to"). The first criterion is "Number of Total Employees (in Exit Company)" with a checked checkbox and a range of "50" to an empty box. The second criterion is "Number of Total Employees Moved (from Exit to Entry)" with a checked checkbox and a range of "25" to an empty box. The third criterion is "% change in number of employees (exit company employment)" with an unchecked checkbox and an empty range selector.

SUTA Filter Criteria - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address http://wssuta/SUTA/pages/FilterForm.aspx

Back Forward Stop Reload Home Search Favorites

Filter Search /

Select the Starting Quarter 2003-04

<input checked="" type="checkbox"/> Number of Total Employees (in Exit Company)	50 to
<input checked="" type="checkbox"/> Number of Total Employees Moved (from Exit to Entry)	25 to
<input type="checkbox"/> % change in number of employees (exit company employment)	

Look only at 'exit companies' with at least 50 employees.
And all Companies where total employees moved is at least 25 (in this case 1/2 of the workforce).

SUTA Dumping

SDDS – Filtered Rapid Growth Searches

More than 250 records were found.
Please consider narrowing your search.

[Show Unsuppressed](#) | [Include Suppressed](#) | [Suppressed Only](#)

Update Record Status

UI Account	Company Name	Federal EI Number	Most Recent Employer Data	Tax History	Employment History	Hold Status	Suppressed
#####	Company 1	#####	2004-03	View Tax History	View Employment History	<input type="checkbox"/> Hold for Review	<input type="checkbox"/> Suppress <input type="checkbox"/> Suppress All
#####	Company 2	#####	2005-01	View Tax History	View Employment History	<input type="checkbox"/> Hold for Review	<input type="checkbox"/> Suppress <input type="checkbox"/> Suppress All
#####	Company 3	#####	2004-03	View Tax History	View Employment History	<input type="checkbox"/> Hold for Review	<input type="checkbox"/> Suppress <input type="checkbox"/> Suppress All
#####	Company 4	#####	2004-02	View Tax History	View Employment History	<input type="checkbox"/> Hold for Review	<input type="checkbox"/> Suppress <input type="checkbox"/> Suppress All

This will show all companies, including those with successors (in this case more than 250).

SUTA Dumping

SDDS – Filtered Rapid Growth Searches

The screenshot shows a web-based filter search interface. At the top, it says "Filter Search /". Below that, there's a label "Select the Starting Quarter" followed by a dropdown menu showing "2003-04". The main area contains a list of checkboxes for different filters. The first two are checked: "Number of Total Employees (in Exit Company)" and "Number of Total Employees Moved (from Exit to Entry)". The first has a value of "50" in a text box, and the second has "25". Below these are several unchecked filters: "% change in number of employees (exit company employment)", "% change in number of employees (entry company employment)", "% change in wages", "Change in tax rate (entry tax rate - exit tax rate)", "Maximum Age of Entry UI Account (in Qtrs)", and "Documented Successorship". At the bottom right, there's a label "Choose from the following list" and a dropdown menu showing "Entry UI Account is NOT Succ".

Filter	Value
<input checked="" type="checkbox"/> Number of Total Employees (in Exit Company)	50
<input checked="" type="checkbox"/> Number of Total Employees Moved (from Exit to Entry)	25
<input type="checkbox"/> % change in number of employees (exit company employment)	
<input type="checkbox"/> % change in number of employees (entry company employment)	
<input type="checkbox"/> % change in wages	
<input type="checkbox"/> Change in tax rate (entry tax rate - exit tax rate)	
<input type="checkbox"/> Maximum Age of Entry UI Account (in Qtrs)	
<input checked="" type="checkbox"/> Documented Successorship	

Choose from the following list

Entry UI Account is NOT Succ

Look only at 'exit companies' with at least 50 employees.

And all Companies where total employees moved is at least 25 (in this case 1/2 of the workforce).

Limit the employer list to those where the entry companies are not successors.

SUTA Dumping

SDDS – Filtered Rapid Growth Searches

71 UI Accounts matched your criteria:

[Show Unsuppressed](#) | [Include Suppressed](#) | [Suppressed Only](#)

[Update Record Status](#)

UI Account	Company Name	Federal EI Number	Most Recent Employer Data	Tax History	Employment History	Hold Status	Suppressed
#####	Company 1	#####	2004-03	View Tax History	View Employment History	<input type="checkbox"/> Hold for Review	<input type="checkbox"/> Suppress <input type="checkbox"/> Suppress All
#####	Company 2	#####	2005-01	View Tax History	View Employment History	<input type="checkbox"/> Hold for Review	<input type="checkbox"/> Suppress <input type="checkbox"/> Suppress All
#####	Company 3	#####	2005-01	View Tax History	View Employment History	<input type="checkbox"/> Hold for Review	<input type="checkbox"/> Suppress <input type="checkbox"/> Suppress All
#####	Company 4	#####	2005-01	View Tax History	View Employment History	<input type="checkbox"/> Hold for Review	<input type="checkbox"/> Suppress <input type="checkbox"/> Suppress All
#####	Company 5	#####	2005-01	View Tax History	View Employment History	<input type="checkbox"/> Hold for Review	<input type="checkbox"/> Suppress <input type="checkbox"/> Suppress All
#####	Company 6	#####	2005-01	View Tax History	View Employment History	<input type="checkbox"/> Hold for Review	<input type="checkbox"/> Suppress <input type="checkbox"/> Suppress All

List of employers includes 71 potential SUTA Dumping candidates for examination.

SUTA Dumping

SDDS – Filtered Rapid Growth Searches

☐ Include SSN's and Moves in Export
[Add Notes to this Exit Account](#)

Exit Primary Name: Exit Company Name Here
Other Company Name:

☐ Hold for Review ☐ Suppress ☐ Suppress All

Sort the results below by: | |

Entry Company: #####
Entry Company Primary Name: ENTRY COMPANY NAME
Entry Company Other Name: ENTRY OTHER NAME

☐ Ignore This Entry Record
[View Company Details](#)
[View Tax History](#)
[View Employment History](#)

[View Employee Moves](#) [View All Entries from this Exit](#) [View All Exits to this Entry](#)

Exit Quarter	1st Quarter of Entry	Last Quarter of Entry	Total Moved Employees	Total Employees in Exit Company at time of Exit	Move Rate From Exit
2004-02	2004-02	2004-02	910	921	98.80%
Quarter of Highest Movement	Highest number of Employees Moved at one time	Total Employees in Entry Company at time of Highest Movement	Move Rate to Entry Company at time of Highest Movement	Successor to Exit UIAccount	Age of Entry UIAccount (in Qtrs)
2004-02	910	918	99.12%	no	10
Total Exit Wages	Tax Rate of Exit Company	Total Entry Wages	Tax Rate of Entry Company	Percent Wages Change	Tax Rate Change

SUTA Dumping

SDDS – Filtered Rapid Growth Searches

The screenshot shows the SUTA Dumping Detection System (SDDS) interface. At the top, there is a header bar with the title "SUTA Dumping Detection System" and a search dropdown menu labeled "Select A Search". To the right of the header are links for "Return to Home Page" and "Logout". The main content area is titled "Rapid Growth Search" and contains the following fields:

- "Select the Start Quarter" with a dropdown menu showing "2003-04".
- "Growth Rate taken from Start Quarter" with a dropdown menu showing "150 %" and a "to" dropdown menu showing "Max %".
- "Number of Employees causing growth" with a text input field showing "25" and a "to" text input field.

Below the input fields, there is a **NOTE** that reads: "It is STRONGLY RECOMMENDED that both these fields be used to search for rapid growth. For example: A small company with only one employee would show a 400% growth rate by hiring 4 more people!!!". At the bottom of the form is a button labeled "List UI Accounts".

SELECT COMPANIES WHERE EXCEPTIONALLY RAPID GROWTH MIGHT INDICATE THE COMPANY IS AN ENTRY COMPANY FOR SUTA DUMPING

SUTA Dumping

SDDS – Filtered Rapid Growth Searches

The screenshot displays the SUTA Dumping Detection System (SDDS) interface. At the top, there's a header with the system name and navigation links like 'Return to Home Page' and 'Logout'. Below this, a search bar is visible. The main content area shows the results of a 'Rapid Growth Search'. It includes a summary of filters used: startQuarter = 56, growthrate between 150 and 1000000, employmentChange between 25 and 100000000, and recordType = 2. A link 'Click Here to Save this Search' is provided. Below the summary, it states '248 UI Accounts matched your criteria'. A table follows, listing 7 companies with their UI Account, Company Name, Reference Quarter, Net Employment Change, Growth Rate, Tax History, and Growth Pattern. Each company entry has links to 'View Tax History' and 'View Growth Pattern'.

UI Account	Company Name	Reference Quarter	Net Employment Change	Growth Rate	Tax History	Growth Pattern
#####	Company 1	2003-4	30	1,500.00%	View Tax History	View Growth Pattern
#####	Company 2	2004-1	1919	386.90%	View Tax History	View Growth Pattern
#####	Company 3	2003-4	394	511.69%	View Tax History	View Growth Pattern
#####	Company 4	2004-2	145	1,115.38%	View Tax History	View Growth Pattern
#####	Company 5	2003-4	34	340.00%	View Tax History	View Growth Pattern
#####	Company 6	2004-2	25	2,500.00%	View Tax History	View Growth Pattern
#####	Company 7	2004-2	1875	397.25%	View Tax History	View Growth Pattern

DISPLAYS COMPANIES MEETING RAPID GROWTH CRITERIA
AS POSSIBLE ENTRY COMPANIES FOR SUTA DUMPING

Preliminary Results of Pilot States

- North Carolina:

- Rhode Island:

- Virginia:

- Utah:



THE END

(HAPPY HUNTING)